

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 6379

BILL NUMBER: HB 1183

NOTE PREPARED: Dec 13, 2011

BILL AMENDED:

SUBJECT: Lobbyist Gift and Entertainment Ban.

FIRST AUTHOR: Rep. Day

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: ☒ **GENERAL**
☒ **DEDICATED**
☐ **FEDERAL**

IMPACT: State & Local

Summary of Legislation: This bill provides that a member of the General Assembly, a candidate for a legislative office, an officer of the General Assembly, an employee of the General Assembly, or a member of the immediate family of any of these persons may not accept a gift or entertainment from a lobbyist, a legislative liaison, or an employer of a legislative liaison. It provides that a lobbyist, a legislative liaison, or an employer of a legislative liaison may not give a gift or provide entertainment to any of these persons. It provides exceptions for close relatives and under other described circumstances. It repeals superseded statutes. The bill also provides that a violation of any of the prohibitions on giving or accepting gifts from lobbyists, legislative liaisons, or employers of legislative liaisons is a Class B misdemeanor.

Effective Date: July 1, 2012; January 1, 2013.

Explanation of State Expenditures: *Lobbyist Gifts:* The provisions of this bill concerning lobbyist gifts and entertainment could increase administrative expenditures of the Indiana Lobby Registration Commission (ILRC) by requiring the ILRC to amend procedures for both lobbyists and legislators. It is estimated that these provisions could be implemented through the use of existing staff and resources.

Explanation of State Revenues: *Penalty Provision:* A person who violates the legislative gift provisions of this bill commits a Class B misdemeanor. If additional court cases occur and fines are collected, revenue to both the Common School Fund (from fines) and the state General Fund (from court fees) would increase. The maximum fine for a Class B misdemeanor is \$1,000. However, any additional revenue would likely be small.

Explanation of Local Expenditures: *Penalty Provision:* A Class B misdemeanor is punishable by up to 180 days in jail.

Explanation of Local Revenues: *Penalty Provision:* If additional court actions occur and a guilty verdict is entered, local governments would receive revenue from court fees. However, any change in revenue would likely be small.

State Agencies Affected: ILRC.

Local Agencies Affected: Trial courts, local law enforcement agencies.

Information Sources:

Fiscal Analyst: Jessica Harmon, 317-232-9854.